



Rep. Jay Hoffman

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1 AMENDMENT TO HOUSE BILL 335

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 335 as follows:

3 on page 1, line 5, by replacing "Section 26" with "Sections 26,  
4 26.8, 26.9, and 27"; and

5 on page 43, below line 26, by inserting the following:

6 "(230 ILCS 5/26.8)

7 Sec. 26.8. Beginning on February 1, 2014 ~~and until January~~  
8 ~~31, 2017~~, each wagering licensee may impose a surcharge of up  
9 to 0.5% on winning wagers and winnings from wagers. The  
10 surcharge shall be deducted from winnings prior to payout. All  
11 amounts collected from the imposition of this surcharge shall  
12 be evenly distributed to the organization licensee and the  
13 purse account of the organization licensee with which the  
14 licensee is affiliated. The amounts distributed under this  
15 Section shall be in addition to the amounts paid pursuant to

1 paragraph (10) of subsection (h) of Section 26, Section 26.3,  
2 Section 26.4, Section 26.5, and Section 26.7.

3 (Source: P.A. 98-624, eff. 1-29-14.)

4 (230 ILCS 5/26.9)

5 Sec. 26.9. Beginning on February 1, 2014 ~~until January 31,~~  
6 ~~2017~~, in addition to the surcharge imposed in Sections 26.3,  
7 26.4, 26.5, 26.7, and 26.8 of this Act, each licensee shall  
8 impose a surcharge of 0.2% on winning wagers and winnings from  
9 wagers. The surcharge shall be deducted from winnings prior to  
10 payout. All amounts collected from the surcharges imposed under  
11 this Section shall be remitted to the Board. From amounts  
12 collected under this Section, the Board shall deposit an amount  
13 not to exceed \$100,000 annually into the Quarter Horse Purse  
14 Fund and all remaining amounts into the Horse Racing Fund.

15 (Source: P.A. 98-624, eff. 1-29-14.)

16 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

17 Sec. 27. (a) In addition to the organization license fee  
18 provided by this Act, until January 1, 2000, a graduated  
19 privilege tax is hereby imposed for conducting the pari-mutuel  
20 system of wagering permitted under this Act. Until January 1,  
21 2000, except as provided in subsection (g) of Section 27 of  
22 this Act, all of the breakage of each racing day held by any  
23 licensee in the State shall be paid to the State. Until January  
24 1, 2000, such daily graduated privilege tax shall be paid by

1 the licensee from the amount permitted to be retained under  
2 this Act. Until January 1, 2000, each day's graduated privilege  
3 tax, breakage, and Horse Racing Tax Allocation funds shall be  
4 remitted to the Department of Revenue within 48 hours after the  
5 close of the racing day upon which it is assessed or within  
6 such other time as the Board prescribes. The privilege tax  
7 hereby imposed, until January 1, 2000, shall be a flat tax at  
8 the rate of 2% of the daily pari-mutuel handle except as  
9 provided in Section 27.1.

10 In addition, every organization licensee, except as  
11 provided in Section 27.1 of this Act, which conducts multiple  
12 wagering shall pay, until January 1, 2000, as a privilege tax  
13 on multiple wagers an amount equal to 1.25% of all moneys  
14 wagered each day on such multiple wagers, plus an additional  
15 amount equal to 3.5% of the amount wagered each day on any  
16 other multiple wager which involves a single betting interest  
17 on 3 or more horses. The licensee shall remit the amount of  
18 such taxes to the Department of Revenue within 48 hours after  
19 the close of the racing day on which it is assessed or within  
20 such other time as the Board prescribes.

21 This subsection (a) shall be inoperative and of no force  
22 and effect on and after January 1, 2000.

23 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
24 at the rate of 1.5% of the daily pari-mutuel handle is imposed  
25 at all pari-mutuel wagering facilities and on advance deposit  
26 wagering from a location other than a wagering facility, except

1 as otherwise provided for in this subsection (a-5). In addition  
2 to the pari-mutuel tax imposed on advance deposit wagering  
3 pursuant to this subsection (a-5), beginning on August 24, 2012  
4 (the effective date of Public Act 97-1060) ~~until February 1,~~  
5 ~~2017~~, an additional pari-mutuel tax at the rate of 0.25% shall  
6 be imposed on advance deposit wagering. Until August 25, 2012,  
7 the additional 0.25% pari-mutuel tax imposed on advance deposit  
8 wagering by Public Act 96-972 shall be deposited into the  
9 Quarter Horse Purse Fund, which shall be created as a  
10 non-appropriated trust fund administered by the Board for  
11 grants to thoroughbred organization licensees for payment of  
12 purses for quarter horse races conducted by the organization  
13 licensee. Beginning on August 26, 2012, the additional 0.25%  
14 pari-mutuel tax imposed on advance deposit wagering shall be  
15 deposited into the Standardbred Purse Fund, which shall be  
16 created as a non-appropriated trust fund administered by the  
17 Board, for grants to the standardbred organization licensees  
18 for payment of purses for standardbred horse races conducted by  
19 the organization licensee. Thoroughbred organization licensees  
20 may petition the Board to conduct quarter horse racing and  
21 receive purse grants from the Quarter Horse Purse Fund. The  
22 Board shall have complete discretion in distributing the  
23 Quarter Horse Purse Fund to the petitioning organization  
24 licensees. Beginning on July 26, 2010 (the effective date of  
25 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of  
26 the daily pari-mutuel handle is imposed at a pari-mutuel

1 facility whose license is derived from a track located in a  
2 county that borders the Mississippi River and conducted live  
3 racing in the previous year. The pari-mutuel tax imposed by  
4 this subsection (a-5) shall be remitted to the Department of  
5 Revenue within 48 hours after the close of the racing day upon  
6 which it is assessed or within such other time as the Board  
7 prescribes.

8 (b) On or before December 31, 1999, in the event that any  
9 organization licensee conducts 2 separate programs of races on  
10 any day, each such program shall be considered a separate  
11 racing day for purposes of determining the daily handle and  
12 computing the privilege tax on such daily handle as provided in  
13 subsection (a) of this Section.

14 (c) Licensees shall at all times keep accurate books and  
15 records of all monies wagered on each day of a race meeting and  
16 of the taxes paid to the Department of Revenue under the  
17 provisions of this Section. The Board or its duly authorized  
18 representative or representatives shall at all reasonable  
19 times have access to such records for the purpose of examining  
20 and checking the same and ascertaining whether the proper  
21 amount of taxes is being paid as provided. The Board shall  
22 require verified reports and a statement of the total of all  
23 monies wagered daily at each wagering facility upon which the  
24 taxes are assessed and may prescribe forms upon which such  
25 reports and statement shall be made.

26 (d) Any licensee failing or refusing to pay the amount of

1 any tax due under this Section shall be guilty of a business  
2 offense and upon conviction shall be fined not more than \$5,000  
3 in addition to the amount found due as tax under this Section.  
4 Each day's violation shall constitute a separate offense. All  
5 fines paid into Court by a licensee hereunder shall be  
6 transmitted and paid over by the Clerk of the Court to the  
7 Board.

8 (e) No other license fee, privilege tax, excise tax, or  
9 racing fee, except as provided in this Act, shall be assessed  
10 or collected from any such licensee by the State.

11 (f) No other license fee, privilege tax, excise tax or  
12 racing fee shall be assessed or collected from any such  
13 licensee by units of local government except as provided in  
14 paragraph 10.1 of subsection (h) and subsection (f) of Section  
15 26 of this Act. However, any municipality that has a Board  
16 licensed horse race meeting at a race track wholly within its  
17 corporate boundaries or a township that has a Board licensed  
18 horse race meeting at a race track wholly within the  
19 unincorporated area of the township may charge a local  
20 amusement tax not to exceed 10¢ per admission to such horse  
21 race meeting by the enactment of an ordinance. However, any  
22 municipality or county that has a Board licensed inter-track  
23 wagering location facility wholly within its corporate  
24 boundaries may each impose an admission fee not to exceed \$1.00  
25 per admission to such inter-track wagering location facility,  
26 so that a total of not more than \$2.00 per admission may be

1 imposed. Except as provided in subparagraph (g) of Section 27  
2 of this Act, the inter-track wagering location licensee shall  
3 collect any and all such fees and within 48 hours remit the  
4 fees to the Board, which shall, pursuant to rule, cause the  
5 fees to be distributed to the county or municipality.

6 (g) Notwithstanding any provision in this Act to the  
7 contrary, if in any calendar year the total taxes and fees  
8 required to be collected from licensees and distributed under  
9 this Act to all State and local governmental authorities  
10 exceeds the amount of such taxes and fees distributed to each  
11 State and local governmental authority to which each State and  
12 local governmental authority was entitled under this Act for  
13 calendar year 1994, then the first \$11 million of that excess  
14 amount shall be allocated at the earliest possible date for  
15 distribution as purse money for the succeeding calendar year.  
16 Upon reaching the 1994 level, and until the excess amount of  
17 taxes and fees exceeds \$11 million, the Board shall direct all  
18 licensees to cease paying the subject taxes and fees and the  
19 Board shall direct all licensees to allocate any such excess  
20 amount for purses as follows:

21 (i) the excess amount shall be initially divided  
22 between thoroughbred and standardbred purses based on the  
23 thoroughbred's and standardbred's respective percentages  
24 of total Illinois live wagering in calendar year 1994;

25 (ii) each thoroughbred and standardbred organization  
26 licensee issued an organization licensee in that

1           succeeding allocation year shall be allocated an amount  
2           equal to the product of its percentage of total Illinois  
3           live thoroughbred or standardbred wagering in calendar  
4           year 1994 (the total to be determined based on the sum of  
5           1994 on-track wagering for all organization licensees  
6           issued organization licenses in both the allocation year  
7           and the preceding year) multiplied by the total amount  
8           allocated for standardbred or thoroughbred purses,  
9           provided that the first \$1,500,000 of the amount allocated  
10          to standardbred purses under item (i) shall be allocated to  
11          the Department of Agriculture to be expended with the  
12          assistance and advice of the Illinois Standardbred  
13          Breeders Funds Advisory Board for the purposes listed in  
14          subsection (g) of Section 31 of this Act, before the amount  
15          allocated to standardbred purses under item (i) is  
16          allocated to standardbred organization licensees in the  
17          succeeding allocation year.

18          To the extent the excess amount of taxes and fees to be  
19          collected and distributed to State and local governmental  
20          authorities exceeds \$11 million, that excess amount shall be  
21          collected and distributed to State and local authorities as  
22          provided for under this Act.

23          (Source: P.A. 97-1060, eff. 8-24-12; 98-18, eff. 6-7-13;  
24          98-624, eff. 1-29-14.)".